



The Myanmar Investment Commission

PERMIT

Permit No. 318/98

Date 29th SEPT.

The Myanmar Investment Commission issues this Permit under the Union of Myanmar Foreign Investment Law -

- (a) Name of Promoter MR. HU, CHIANG - HO
- (b) Citizenship CHINESE
- (c) Address FLAT/RM 502, 5/F, HONG LEONG IND. COMPLEX.
4 WANG KWONG RD, KLN BAY, KL, HONG KONG.
- (d) Name and address of principal organization LINK FUND
HONG KONG.
- (e) Place of incorporation HONG KONG.
- (f) Type of business in which investment is to be made MANUFACTURING
AND MARKETING OF GARMENTS AND RELATED PRODUCTS.
- (g) Place (s) at which investment is permitted FLOT NO. 1
MINGALADON INDUSTRIAL PARK, MINGALADON T.
- (h) Amount of foreign capital US \$ 4.0 MILLION
- (i) Period for bringing in foreign capital WITHIN 12 MO.
FROM THE DATE OF ISSUANCE OF PEF
- (j) Total amount of capital (Kyat) EQUIVALEN
US \$ 4.0 1
- (k) Permitted duration of investment 50 YEA.
- (l) Name of the economic organization to be formed in Myanmar MYANMAR TAH HSIN INDUSTRIAL COMPANY LIMITED

Chair

The Myanmar Investment Commission

မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

ခွင့်ပြုမိန့်



အမှတ် ၃၁၀./၉၀.....

၁၉၉၈ ခုနှစ်၊ စက်တင်ဘာလ ၂၉ ရက်။

၁၉၈၇ မြန်မာနိုင်ငံတော် နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု ဥပဒေပုဒ်မ ၁၀ အရ ဤခွင့်ပြုမိန့်ကို

မြှုပ်နှံမှု ကော်မရှင်က ထုတ်ပေးလိုက်သည် -

၁။ မကထပြုသူ၏အမည် MR. HU, CHIANG - HO

မည်သည့်နိုင်ငံသား CHINESE

(ဂ) နေရပ်လိပ်စာ FLAT/RM 502,5/F, HONG LEONG IND.,
COMPLEX, 4 WANG KWONG RD, KLN BAY, KL, HONG KONG

၂။ ပင်မအဖွဲ့အစည်းအမည်နှင့်လိပ်စာ LINK FUND LIMITED,
HONG KONG

(င) ဖွဲ့စည်းရာအရပ် HONG KONG

(စ) ရင်းနှီးမြှုပ်နှံမှုပြုလုပ်မည့်လုပ်ငန်းအမျိုးအစား အသင့်ချုပ်ပြီးအထည်များ
ထုတ်လုပ်ဖြန့်ဖြူးရောင်းချခြင်းလုပ်ငန်း
ရင်းနှီးမြှုပ်နှံမှုပြုလုပ်ခွင့်ပြုသည့်အရပ်ဒေသ(များ) မြေကွက်အမှတ်၊ ၃-၁
မင်္ဂလာဒုံစက်မှုဇုန်၊ မင်္ဂလာဒုံမြို့နယ်။

နိုင်ငံခြားမတည်ငွေရင်း အမေရိကန်ဒေါ်လ် ၁၄.၀ သန်း

၃။ သည်ငွေရင်းယူဆောင်လာရမည့်ကာလ ခွင့်ပြုမိန့်ရရှိပြီး (၁၂) လအတွင်း

၄။ သည်ငွေရင်း ပမာဏ(ကျပ်) အမေရိကန်ဒေါ်လ် ၁၄.၀ သန်း

၅။ နှင့်ညီမျှသောမြန်မာ့ကျပ်ငွေ

၆။ ရင်းနှီးမြှုပ်နှံခွင့်ပြုသည့်သက်တမ်း ၁၀ နှစ်

၇။ မြန်မာနိုင်ငံတွင် ဖွဲ့စည်းမည့် စီးပွားရေးအဖွဲ့အစည်းအမည် MYANMAR TAH HSIN INDUSTRIAL COMPANY LIMITED.

၈။ MYANMAR TAH HSIN INDUSTRIAL COMPANY LIMITED.

ဥက္ကဋ္ဌ

မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

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GOVERNMENT OF THE UNION OF MYANMAR
MYANMAR INVESTMENT COMMISSION

653 / 691, Merchant Street, Yangon.

Our ref : Ya Ka-1/459/98(4734)

Tel : 272.

Dated : 29th September 1998.

Fax : 006

**Subject : Decision of the Myanmar Investment Commission
"Manufacturing and Marketing of Garments and Related
name of "Myanmar Tah Hsin Industrial Co., Ltd.".**

Reference: Ministry of Construction Letter No. 18/Khwe-3/98(C-2468) dated 11-8-98.

1. The Myanmar Investment Commission, at its meeting 15/98 held on 28-8-98, approved the proposal for investment in "Manufacturing and Marketing of Garments and Related Products" under the name of "Myanmar Tah Hsin Industrial Co., Ltd." submitted by Link Fund Co., Ltd. as a wholly foreign owned investment. After careful review, it was deliberated that the proposed project be approved in principle for implementation and the proposal be submitted to the Cabinet meeting for final approval.
2. The Cabinet, at its meeting 31/98 held on 10-9-98 resolved to permit the implementation of the said project. Hence, the "Permit" is herewith issued in accordance with Chapter VI, Section 13 of the Union of Myanmar Foreign Investment Law and Chapter VI, Rule 13 of the Procedures relating to the said Law. Terms and conditions to the "Permit" are stated in the following paragraphs.
3. The permitted duration of the project shall be 50(Fifty) years. At the end of the permitted duration, Myanmar Tah Hsin Industrial Co., Ltd. shall transfer the Land to Mingaladon Industrial Park Co., Ltd. within 3(Three) months in good condition, ground damages having been refilled or repaired.
4. Myanmar Tah Hsin Industrial Co., Ltd. shall provide Land Use Premium of US \$ 645038 (United States Dollars Six Hundred Forty Five Thousand Three Hundred Eighty Nine Only) to Mingaladon Industrial Park Co., Ltd. in three instalments as follows:
 - (a) the first instalment of US \$ 64504 (United States Dollars Sixty Four Thousand Five Hundred Four Only) shall be paid upon signing of Sub-lease Agreement.
 - (b) the second instalment of US \$ 322519 (United States Dollars Three Hundred Twenty Five Thousand Five Hundred Nineteen Only) shall be paid within 12 months from the date of issuance of permit.
 - (c) the final instalment of US \$ 258015 (United States Dollars Two Hundred Fifty Eight Thousand One Hundred Fifteen Only) shall be paid to Mingaladon Industrial Park Co., Ltd. failing which Mingaladon Industrial Park Co., Ltd. shall have the right to terminate the Agreement at its own discretion and the second instalment shall be forfeited.
5. Myanmar Tah Hsin Industrial Co., Ltd. shall pay the annual ground rent on yearly basis at the rate of US \$ 0.30 (United States Dollars Thirty Cents Only) per square meter to the amount of US \$ 3518.39 (United States Dollars Three Thousand Five Hundred Eighteen and Thirty Nine Cents Only) and the Management Fees and Utility Charges to be paid in accordance with the prevailing rates.

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conditions of the Mingaladon Industrial Park. The land rent shall be reviewed every 5 years and the increase of the rent shall not be more than 15(Fifteen) percent of the previous rate.

6. Myanmar Tah Hsin Industrial Co., Ltd. shall provide a security deposit to US \$ 3518.39 (United States Dollars Three Thousand Five Hundred Eighteen and 1/10 Only) to the Mingaladon Industrial Park Co., Ltd. on the date of signing of the Sub-Lease.

7. In issuing this "Permit" the Commission has granted the following exemptions:

- (a) As per Section-21(a), exemption from income-tax up to three consecutive years from the year of commencement of commercial operation.
- (b) As per Section-21(b), regarding exemption from income-tax on profits, if they are maintained in a reserve fund and re-invested therein with interest, such exemption shall apply only after 3-year tax holiday period.
- (c) As per Section-21(c), Myanmar Tah Hsin Industrial Co., Ltd. shall be granted accelerated depreciation in respect of machinery, equipment, building or other assets used in the business to the extent of the original value for the purpose of income-tax assessment. However, Myanmar Tah Hsin Industrial Co., Ltd. shall have to apply to the Commission such rates of depreciation.
- (d) As per Section-21(d), relief from income tax up to 50 percent on profit after tax on export, such relief has to be applied, upon actual performance, following the tax holiday period.
- (e) As per Section-21(e), Myanmar Tah Hsin Industrial Co., Ltd. shall have the right to pay income-tax payable to the State on behalf of foreigners who have come from abroad and are employed in the enterprise and the right to deduct such payment from their income.
- (f) As per Section-21(f), the Commission has also approved the right to pay the income of the above-mentioned foreigners at the rates applicable to those residing within the country.
- (g) As per Section-21(g), regarding the right to deduct from taxable income the expenses incurred in respect of research and development, if such expenses are actually required and are carried out within the State, Myanmar Tah Hsin Industrial Co., Ltd. shall apply, upon actual performance of such programme, only after 3-year tax holiday period.
- (h) As per Section-21(h), regarding right to carry forward and set off up to 5 years from the year the loss is sustained following the enjoyment of exemption from income-tax, Myanmar Tah Hsin Industrial Co., Ltd. shall file the case, with the Ministry of Finance and Revenue in accordance with Section-4 of the Income Tax Amendment Law, 1991.
- (i) As per Section-21(i), exemption from customs duty and all other internal taxes on machinery, equipment, instruments, machinery components, spare parts and materials used in the business, which are imported as they are actually required during the period of construction.
- (j) As per Section-21(j), exemption from customs duty and all other internal taxes on raw materials and additional import of machinery, equipment and materials actually required for operation of the business shall be granted during the commercial operation following the period of construction.

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8. Myanmar Tah Hsin Industrial Co., Ltd. shall have to sign Sub-Lease Agreement with Mingaladon Industrial Park Co., Ltd. After signing such Agreement, (5) copies each of which shall have to be forwarded to the Commission.
9. Myanmar Tah Hsin Industrial Co., Ltd., in consultation with the Department of Administration, Directorate of Investment and Company Administration shall have to do so. After registration, (5) copies each of Certificate of Incorporation and Memorandum of Association shall have to be forwarded to the Commission.
10. Myanmar Tah Hsin Industrial Co., Ltd. shall use its best efforts for the works stated in the Proposal. If none of such works has been commenced within the date of issue of this "Permit", it shall become null and void.
11. The official date of operation shall be reported to the Commission.
12. Myanmar Tah Hsin Industrial Co., Ltd. shall endeavour to meet the targets for production and export stated in the proposal as the minimum target.
13. The Commission approves periodical appointments of foreign experts and technicians from abroad as per Proposal. Myanmar Tah Hsin Industrial Co., Ltd. shall have to consult with Director of Labour, Ministry of Labour for appointment of such foreign experts and technicians.
14. In order to evaluate foreign capital in terms of Kyats and for the purpose of its registration in accordance with the provision under Section-24 of the Union of Myanmar Foreign Investment Law, it is compulsory to report as early as possible in the following manner.
 - (a) The amount of foreign currency brought into Myanmar, attached with documents issued by the respective bank where the account is opened.
 - (b) The detailed lists of the type and value of foreign capital defined under Section 24 of the said Law, other than foreign currency, to the Chairman, Foreign Capital Evaluation Sub-Committee.
15. Whenever Myanmar Tah Hsin Industrial Co., Ltd. brings in foreign capital in accordance with Section 2(h) of the said Law, other than foreign currency in the manner mentioned above, the Inspection Certificate endorsed and issued by Inspection Firm with regard to quantity, quality and price of imported goods shall be attached.
16. After all types of foreign capital (foreign currency and other types of foreign capital) have been brought into Myanmar, a report shall have to be submitted to the Commission vide letter No. Na-Ya 9/101/92(416) dated 3-12-92 [Annexure(1)]
17. Myanmar Tah Hsin Industrial Co., Ltd. shall report to the Commission the physical and financial plan of the project. Cost over-run, over and above the investment pledged in both local and foreign currency shall have to be reported as early as possible.
18. Myanmar Tah Hsin Industrial Co., Ltd. shall be responsible for the protection of the environment at and around the area of the project site. Hence, it shall observe the provisions of the Commission vide letter No. Ya Ka-1/139/94 (0440) dated 30-6-94 [Annexure(2)] for proper treatment systems and other necessary environmental control systems.

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19. Myanmar Tah Hsin Industrial Co., Ltd. shall follow the procedures prescribed by the Investment Commission, vide letter No. Ya Ka-7/408/94 (0424) dated 29-6-94 [Annexure(3)] to expedite clearance of imports of capital and inter-industry use goods brought in as capital investment materials required during the initial 3-year operation period.

20. Payment of principal and interest of the loan (if any) as well as payment for imported materials and spare parts etc. shall only be made out of the official foreign exchange of Myanmar Tah Hsin Industrial Co., Ltd..

21. Myanmar Tah Hsin Industrial Co., Ltd., in consultation with Myanmar Insurance, shall insure such types of insurance defined under Chapter VIII, Rule 15 of the Procedures relating to Myanmar Foreign Investment Law.

By Order,



Brig-Gen Maung Maung
Secretary

Mr. Hu, Chiang-Ilo
Link Fund Limited

c/o Director General
Department of Human Settlement and Housing Development

- cc:
1. Office of the Chairman of State Peace and Development Council
 2. Office of the State Peace and Development Council
 3. Office of the Government of the Union of Myanmar
 4. Office of the Strategic Studies, Ministry of Defence
 5. Ministry of National Planning and Economic Development
 6. Ministry of Finance and Revenue
 7. Ministry of Commerce
 8. Ministry of Construction
 9. Ministry of Foreign Affairs
 10. Ministry of Home Affairs
 11. Ministry of Immigration and Population
 12. Ministry of Labour
 13. Ministry of Electric Power
 14. Chairman, Committee for Assisting the Myanmar Investment Commission (Central Bank of Myanmar)
 15. Chairman, Foreign Capital Evaluation Sub-Committee (Director General, Central Bank of Myanmar)
 16. Director General, Directorate of Investment and Company Administration
 17. Director General, Customs Department
 18. Director General, Internal Revenue Department
 19. Managing Director, Myanmar Foreign Trade Bank
 20. Managing Director, Myanmar Investment and Commercial Bank

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21. Managing Director, Myanma Insurance
22. Managing Director, Myanma Electric Power Enterprise
23. Director General, Directorate of Trade
24. Director General, Immigration and National Registration Department
25. Director General, Directorate of Labour
26. Chairman, Union of Myanmar Chamber of Commerce and Industry

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